STAND. COM. REP. NO. 2010

Honolulu, Hawaii

JAN 3 0 2014

RE: S.B. No. 2545

S.D. 1

Honorable Donna Mercado Kim President of the Senate Twenty-Seventh State Legislature Regular Session of 2014 State of Hawaii

Madam:

Your Committee on Human Services, to which was referred S.B. No. 2545 entitled:

"A BILL FOR AN ACT RELATING TO UNIVERSAL CHILDREN'S SAVINGS ACCOUNTS,"

begs leave to report as follows:

The purpose and intent of this measure is to enable families to establish a savings account for their children who were born in Hawaii or reside in Hawaii.

Your Committee received testimony in support of this measure from Blueprint for Change, Hawaii Jump\$tart Coalition for Personal Financial Literacy, and two individuals. Your Committee received comments on this measure from the Department of Budget and Finance and one individual.

Your Committee finds that it is important to help families start saving at birth for their children's futures. Thirty-four percent of Hawaii's middle class families are asset poor. Children's savings accounts are a recognized tool for assisting families with building meaningful savings for their children while learning about money and finance. Your Committee recognizes that HI529, Hawaii's college savings program administered by the Department of Budget and Finance, already exists to assist families with saving for higher education and that it would not be beneficial for children's savings accounts to compete with the existing program.

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Accordingly, your Committee has amended this measure by:

- Amending the authorized uses for monies in the savings (1)accounts to no longer include paying for higher education; and
- Making amendments to section 1 to reflect the amended (2) purpose of the measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2545, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2545, S.D. 1, and be referred to the Committee on Ways and Means.

> Respectfully submitted on behalf of the members of the Committee on Human Services,

mranne Shun Cakland

SUZANNE CHUN OAKLAND, Chair

The Senate Twenty-Seventh Legislature State of Hawai'i

Record of Votes Committee on Human Services HMS

Bill / Resolution No.:*	Committee Referral:		Dat	te: /	/
SB2545	HMS, WAM			127	114
The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
CHUN OAKLAND, Suzanne (C)				g=1014 + 11 + 1	
GREEN, Josh (VC)					
KIDANI, Michelle N.					
TANIGUCHI, Brian T.					
SLOM, Sam					
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TOTAL		4	Ø	0	(
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

*Only one measure per Record of Votes